

STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF MARCH 31, 2006

	March-06					December-05				September-05				Current FYTD	Prior Year FY05	3 Years Ended 6/30/2005	5 Years Ended 6/30/2005
	Market Value	Allocation	Actual	Quarter	Month	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																	
Structured Growth																	
Los Angeles Capital	76,812	2.8%	2.8%	4.95%	1.96%	76,107	2.9%	2.8%	3.06%	77,294	2.9%	2.8%	5.46%	14.06%	7.56%	N/A	N/A
Total Structured Growth	76,812	2.8%	2.8%	4.95%	1.96%	76,107	2.9%	2.8%	3.06%	77,294	2.9%	2.8%	5.46%	14.06%	7.56%	7.46%	-9.18%
Russell 1000 Growth				3.09%	1.48%				2.98%				4.01%	10.42%	1.68%	7.26%	-10.36%
Structured Value																	
LSV	79,531	2.9%	2.8%	6.53%	1.37%	73,722	2.8%	2.8%	1.52%	77,827	2.9%	2.8%	5.06%	13.63%	18.35%	14.73%	14.78%
Russell 1000 Value				5.93%	1.35%				1.27%				3.88%	11.44%	14.06%	11.00%	6.55%
Russell 1000 Enhanced Index																	
LA Capital	142,541	5.2%	5.6%	4.96%	1.53%	151,184	5.7%	5.6%	2.29%	154,375	5.8%	5.6%	6.45%	14.29%	7.93%	N/A	N/A
Russell 1000				4.49%	1.42%				2.12%				3.95%	10.92%	7.92%	N/A	N/A
S&P 500 Enhanced Index																	
Westridge	166,031	6.1%	5.6%	4.25%	1.27%	157,261	5.9%	5.6%	2.10%	149,468	5.6%	5.6%	3.64%	10.32%	6.58%	N/A	N/A
S&P 500				4.21%	1.24%				2.09%				3.60%	10.22%	6.32%	N/A	N/A
Index																	
State Street	50,916			4.19%	1.24%	48,257			2.07%	49,517			3.58%	10.15%	6.27%	8.22%	-2.45%
Total Index	50,916	1.9%	1.9%	4.19%	1.24%	48,257	1.8%	1.9%	2.07%	49,517	1.9%	1.9%	3.58%	10.15%	6.27%	8.22%	-2.45%
S&P 500				4.21%	1.24%				2.09%				3.60%	10.22%	6.32%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	515,830	18.9%	18.8%	4.88%	1.45%	506,531	19.0%	18.8%	2.20%	508,482	19.0%	18.8%	4.97%	12.51%	8.89%	9.59%	-0.28%
S&P 500				4.21%	1.24%				2.09%				3.60%	10.22%	6.32%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY																	
Manager-of-Managers																	
SEI	176,684	6.5%	6.3%	13.21%	4.00%	170,567	6.4%	6.3%	0.95%	168,733	6.3%	6.3%	5.46%	20.53%	9.32%	13.32%	N/A
Russell 2000 + 200bp				14.49%	5.02%				1.64%				5.21%	22.42%	11.64%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	176,684	6.5%	6.3%	13.21%	4.00%	170,567	6.4%	6.3%	0.95%	168,733	6.3%	6.3%	5.46%	20.53%	9.32%	13.32%	5.50%
Russell 2000				13.94%	4.85%				1.13%				4.69%	20.64%	9.45%	12.81%	5.71%
INTERNATIONAL EQUITY																	
Large Cap - Active																	
Capital Guardian	110,026	4.0%	4.0%	7.18%	3.22%	121,236	4.5%	4.0%	9.64%	112,860	4.2%	4.0%	12.11%	31.74%	10.32%	7.44%	-3.80%
LSV	114,282	4.2%	4.0%	11.19%	3.71%	107,658	4.0%	4.0%	4.29%	113,701	4.2%	4.0%	11.20%	28.96%	N/A	N/A	N/A
Total Large Cap - Active	224,308	8.2%	8.0%	9.17%	3.47%	228,894	8.6%	8.0%	6.96%	226,561	8.5%	8.0%	11.67%	30.38%	13.23%	12.39%	7.26%
MSCI EAFE - 50% Hedged				9.20%	3.61%				5.84%				11.07%	28.37%	14.41%	8.84%	-2.61%
Small Cap - Value																	
Lazard	29,461	1.1%	1.0%	10.94%	4.75%	26,883	1.0%	1.0%	3.01%	27,176	1.0%	1.0%	9.94%	25.64%	18.18%	N/A	N/A
Citigroup Broad Market Index < \$2BN				9.34%	4.10%				8.94%				12.05%	33.46%	21.33%	N/A	N/A
Small Cap - Growth																	
Vanguard	28,480	1.0%	1.0%	13.70%	5.34%	27,756	1.0%	1.0%	4.92%	27,496	1.0%	1.0%	10.41%	31.72%	24.11%	N/A	N/A
Citigroup Broad Market Index < \$2BN				9.34%	4.10%				8.94%				12.05%	33.46%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	282,248	10.3%	10.0%	9.81%	3.79%	283,532	10.6%	10.0%	6.37%	281,233	10.5%	10.0%	11.37%	30.09%	15.34%	10.62%	-2.10%
MSCI EAFE - 50% Hedged				9.20%	3.61%				5.84%				11.07%	28.37%	14.41%	8.84%	-2.61%
DOMESTIC FIXED INCOME																	
Core Bond																	
Western Asset	512,171	18.8%	18.3%	-0.44%	-1.24%	498,621	18.7%	18.3%	0.28%	497,705	18.6%	18.3%	-0.41%	-0.57%	7.14%	7.36%	8.59%
Lehman Aggregate				-0.65%	-0.98%				0.59%				-0.67%	-0.73%	6.80%	5.75%	7.40%
Index																	
Bank of ND	458,453	16.8%	18.3%	-0.95%	-1.03%	448,616	16.8%	18.3%	0.56%	460,176	17.2%	18.3%	-0.72%	-1.11%	4.59%	5.83%	7.36%
Lehman Gov/Credit (1)				-1.01%	-1.10%				0.60%				-0.96%	-1.38%	4.80%	5.82%	7.35%
BBB Average Quality																	
Wells Capital (formerly Strong)	510,456	18.7%	18.3%	-1.02%	-1.54%	497,583	18.7%	18.3%	0.58%	492,054	18.4%	18.3%	-1.05%	-1.49%	9.14%	9.20%	N/A
Lehman US Credit BAA				-1.20%	-1.70%				0.39%				-0.97%	-1.78%	8.60%	9.42%	N/A
TOTAL DOMESTIC FIXED INCOME	1,481,080	54.3%	55.0%	-0.79%	-1.27%	1,444,819	54.2%	55.0%	0.46%	1,449,935	54.2%	55.0%	-0.73%	-1.06%	6.14%	6.59%	7.79%
Lehman Aggregate (2)				-0.65%	-0.98%				0.59%				-0.67%	-0.73%	7.26%	6.41%	7.70%
CASH EQUIVALENTS																	
Bank of ND	273,636	10.0%	10.0%	1.17%	0.41%	259,717	9.7%	10.0%	1.07%	267,314	10.0%	10.0%	0.93%	3.20%	2.46%	1.74%	2.68%
90 Day T-Bill				1.03%	0.39%				0.92%				0.83%	2.81%	2.15%	1.55%	2.62%
TOTAL BONDING FUND	2,729,478	100.0%	100.0%	2.39%	0.24%	2,665,167	100.0%	100.0%	1.42%	2,675,696	100.0%	100.0%	2.15%	6.07%	6.62%	8.00%	4.21%
POLICY TARGET BENCHMARK				2.29%	0.40%				1.48%				1.78%	5.65%	6.74%	6.96%	4.02%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.